



General Assembly

February Session, 2006

Raised Bill No. 5463

LCO No. 1726

01726_____INS

Referred to Committee on Insurance and Real Estate

Introduced by:
(INS)

AN ACT CONCERNING INSURANCE RATE FILING REQUIREMENTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2006*) (a) Notwithstanding the
2 requirements of sections 38a-389 and 38a-688 of the general statutes, an
3 insurer may file a rate with the Insurance Commissioner pursuant to
4 this section and such rate shall take effect the date it is filed provided
5 the rate provides for an overall state-wide rate increase or decrease of
6 not more than twelve per cent in the aggregate for all coverages that
7 are subject to the filing. The twelve per cent limit shall not apply on an
8 individual insured basis. Not more than one filing may be made by an
9 insurer pursuant to this section within any twelve-month period
10 unless the filing, when combined with one or more filings made by the
11 insurer within the preceding twelve months, does not result in an
12 overall state-wide increase or decrease of more than twelve per cent in
13 the aggregate for all coverages that are subject to the filing.

14 (b) A filing that does not meet the criteria set forth in subsection (a)
15 of this section shall be subject to sections 38a-389 and 38a-688 of the
16 general statutes unless the filing is otherwise exempt from said
17 sections.

18 (c) A filing submitted pursuant to subsection (a) of this section shall
 19 be deemed to comply with the requirements of title 38a of the general
 20 statutes. If the commissioner determines that the filing is inadequate or
 21 unfairly discriminatory, the commissioner shall issue a written order
 22 specifying in detail the provisions of title 38a of the general statutes the
 23 insurer has violated and the reasons why the filing is inadequate or
 24 unfairly discriminatory. The order shall indicate a future date on
 25 which the filing shall no longer be effective. An order by the
 26 commissioner pursuant to this subsection that is issued more than
 27 thirty days after the date the rate is filed with the commissioner shall
 28 be prospective only and shall not affect any contract issued or made
 29 before the effective date of the order. As used in this section, a rate is
 30 "unfairly discriminatory" if it is classified in whole or in part on the
 31 basis of race, color, creed or national origin.

32 (d) No rate increase that meets the criteria set forth in subsection (a)
 33 of this section may be implemented with respect to an individual
 34 policy in effect on the date of the filing unless the increase is applicable
 35 no earlier than the date of policy renewal and the insurer provides
 36 notice of the increase to the insured pursuant to section 38a-323 of the
 37 general statutes.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2006	New section

Statement of Purpose:

To allow certain insurance rates to be effective when filed with the Insurance Commissioner if the overall state-wide rate increase or decrease does not exceed twelve per cent in the aggregate.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]